



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

Goldberg
SSA

14985

B-197020

September 17, 1980

Dr. Jack W. Millar, President
Gorgas Memorial Institute of Tropical
and Preventive Medicine, Inc.
2007 Eye Street, N.W.
Washington, D.C. 20006

CN 8002778

Dear Dr. Millar:

and interest

Your letters of March 28 and April 22, 1980, your reference 192/and 226/80, take exception to GAO's legal conclusion that some \$8,000 of interest earned on appropriated funds received in fiscal year 1979, should not have been credited to the Institute's Endowment Fund.

Our audit findings remain as stated. However, after reconsidering the Institute's long standing relationship with the Government, we now believe that the appropriation to the Institute is in the nature of an outright, unrestricted gift. Consequently, the usual restrictions applicable to grants do not apply and interest earned on the funds appropriated may be credited to the Institute's Endowment Fund. Our legal conclusion to the contrary contained in our letter to you and in our report to the Institute's directors should be disregarded.

Sincerely,

Milton J. Forster

For the Comptroller General
of the United States

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